Manufacturing Energy Technologies in California

from business plans to industrial transformation

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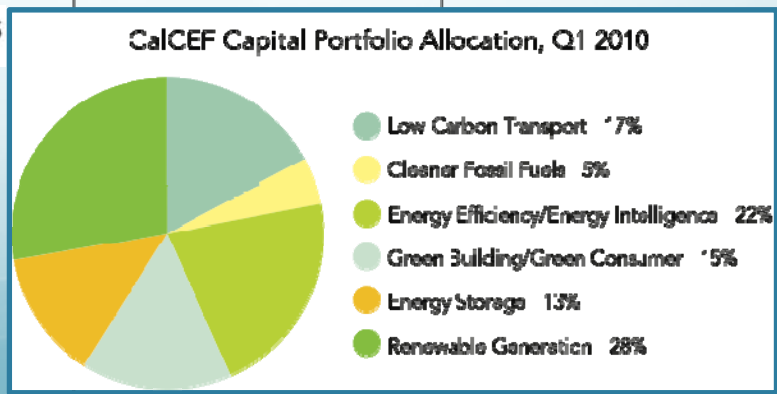
Distributed & Large-Scale Renewable Energy	Energy Efficiency & Intelligence	Low-Carbon Transportation Technologies	Green Building & Green Consumer Technologies	Cleaner Fossil Fuels
ANGSTROM.	alphabet energy	alloptartis	ARXX	CoalTek
BrightSourceEnergy	BRIDGELUX	BioFuelBox	blue egg	
CHEMREC	DynaPump	COBALT	Micr::posite	
Deeya Energy	Fat Spaniel TECHNOLOGIES	EARTHANOL WASTE TO FUEL	PPT Research	
ENERGEX	HIDLABS	EdeniQ	terrapass	
PETRA SOLAR	imara	Imperium renewables		
Senergen Devices, Inc.	LUMASENSE TECHNOLOGIES	MASCOMA		
solarcentury	MIARTECH	TESLA MOTORS		
Soliant	Premium Power	THINK		
SUPERPROTONIC	SpectraSensors			
TIOGA ENERGY	SYNAPSENSE			
WASATCH WIND	Thetus			
XEROCOAT				
ze·gen				



Innovation – Adoption Paradox

The Setting

- A range of California entities — including private industry, regulated and public utilities, transportation authorities and others — are facing technology pressures and risks that are a function of the rapidly accelerating policy attention to clean energy and climate change.
- Existing and proposed policies obligate these entities to either procure technological solutions to meet their environmental obligations, solutions that might not exist in the marketplace, or face substantial penalties for noncompliance.
- Entrepreneurial activity and venture investment in the cleantech energy field has increased significantly in recent years.
- Established firms have difficulty in rapidly and cost effectively commercializing innovation and selling or using new products.

The Challenge

- How to build and grow sustainable, clean energy enterprises of scale?
- How to overcome a contradiction inherent in that process given the policy mandates, cost constraints and time horizons of our climate, economic, and energy security goals?

Lack of Performance History Compounds the Problem

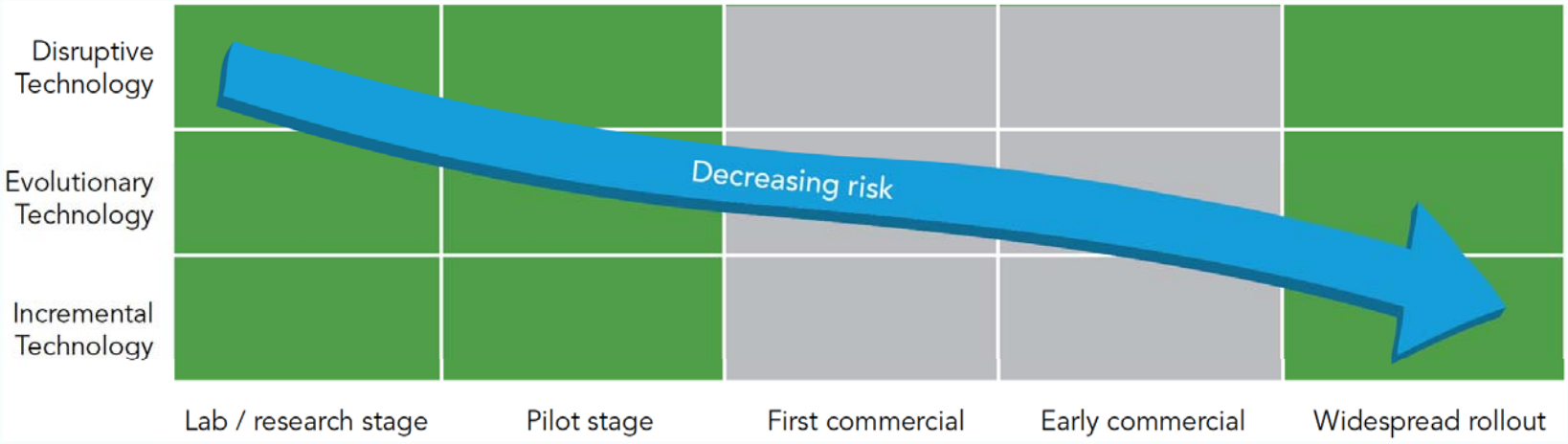
The Outlook

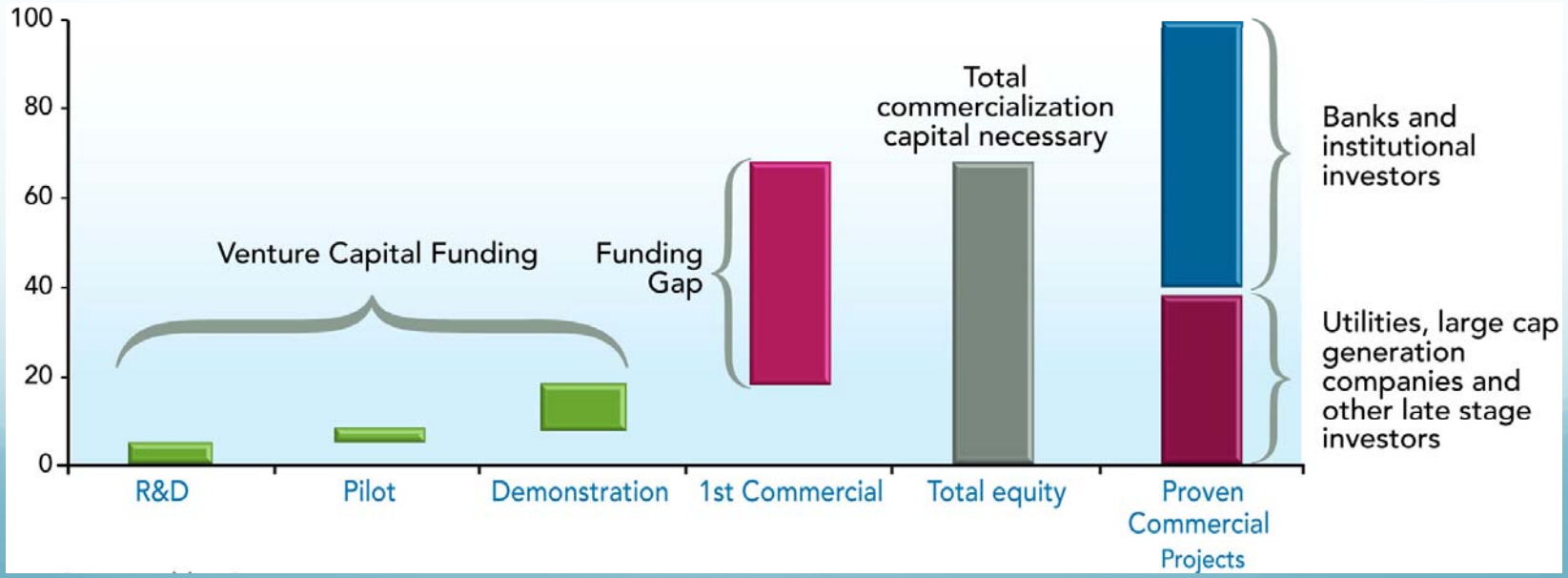
- Still plenty of capital to be deployed, great teams to deploy it, and substantial innovation to invest in.
- Continuing up-market challenges the VC model – will VCs embrace and be effective in backing large-scale manufacturing?
- New funds will struggle to get raised – lack of exits.
- Capital-intensive plays not in favor.

The Need

- Debt markets that work as technologies mature, encouraging risk equity.
- IPO and M&A activity that is robust and strategic, shortening paths to market.
- A different approach to deploying existing VC funds – back off the 1% chance of 20X returns model.

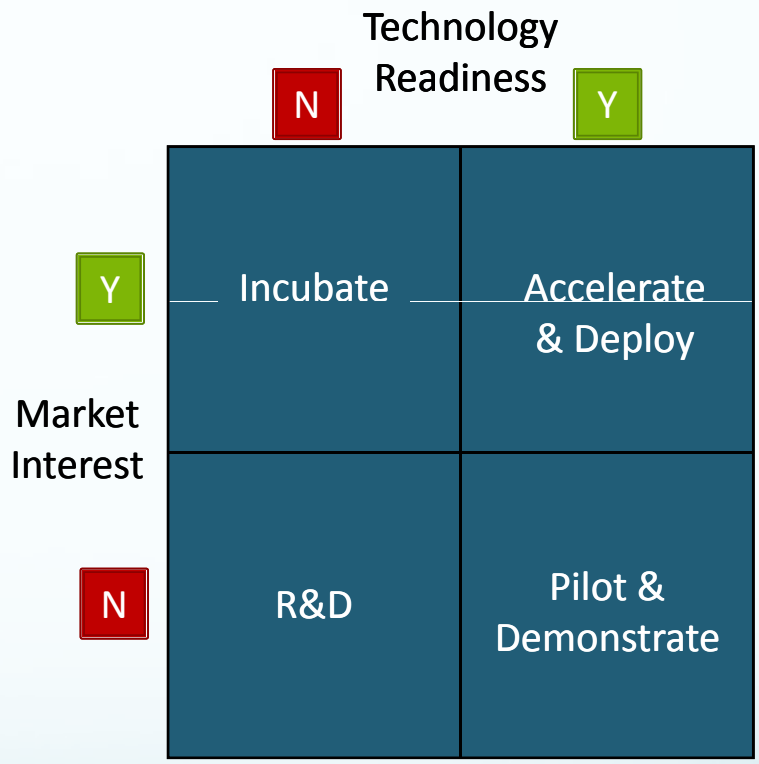
Funding 1st Commercial Projects





Focus on Demand

- A critical emphasis on solutions that are market-relevant
  - i.e. that are responsive to present or anticipated demands in the market for energy and environmental technologies
- A basis in the existing stock of venture capital-backed clean technology solutions
  - Matured over the past five years' cycle of venture activity, which form the immediate basis for real green jobs growth opportunities.



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